

## Message Text

UNCLASSIFIED

PAGE 01 STATE 177817  
ORIGIN EB-08

INFO OCT-01 EUR-12 ISO-00 L-03 H-02 AGRE-00 CIAE-00  
INR-07 NSAE-00 PA-02 PRS-01 USIE-00 SS-15 NSC-05  
NSCE-00 INRE-00 SSO-00 /056 R

DRAFTED BY EB/ICD/TRP: DBURNS  
APPROVED BY EB/ICD/TRP: DBURNS  
-----125905 290046Z /63

O 290022Z JUL 77  
FM SECSTATE WASHDC  
TO AMEMBASSY LONDON IMMEDIATE

UNCLAS STATE 177817

LONDON FOR KATZ

E.O. 11652: N/A

TAGS: EAGR

SUBJECT: CONGRESSIONAL ACTION ON DE LA GARZA AMENDMENT

1. ON JULY 28, HOUSE PASSED DE LA GARZA SUGAR PRICE  
SUPPORT AMENDMENT BY VOTE OF 246 - 165. DEBATE WAS  
BRIEF BUT SPIRITED. REPRESENTATIVE NOLAN CHARGED THAT  
ADMINISTRATION TACTICS IN DEALING WITH DE LA GARZA  
AMENDMENT HAD BEEN UNSCRUPULOUS. ADMINISTRATION HAD  
INSISTED ITS OWN PROGRAM WAS LEGAL THOUGH GAO HAD QUESTION-  
ED ITS LEGALITY; ADMINISTRATION HAD CLAIMED DE LA GARZA  
WOULD COST TAXPAYERS HUNDREDS OF MILLIONS OF DOLLARS  
WHEN IT LIKELY THAT RESULTING TARIFFS OR TARIFF-QUOTAS  
WOULD SUPPORT ENTIRE COST; ADMINISTRATION HAD ALSO  
MAINTAINED THAT DE LA GARZA WOULD HINDER LONDON SUGAR  
TALKS WHEN EFFECT WOULD BE JUST THE OPPOSITE. NOLAN  
HIT STRONGLY ON FACT THAT INDUSTRIAL SUGAR USERS IN U.S.  
HAD NOT REDUCED PRICES OF THEIR PRODUCTS AS SUGAR PRICES  
UNCLASSIFIED

UNCLASSIFIED

PAGE 02 STATE 177817

HAD FALLEN. ADDED THAT LOW SUGAR PRICES WERE RESULTING  
IN ENORMOUS WINDFALL PROFITS FOR COCA-COLA.

2. REP. GIAIMO OF HOUSE BUDGET COMMITTEE REPLIED THAT FARM  
BILL WAS ALREADY QTE BUDGET BUSTER UNQTE AND THAT  
DE LA GARZA WOULD ADD \$500 MILLION TO \$1 BILLION TO COST.  
HEARINGS SHOULD BE HELD ON WHOLE SUGAR PROBLEM, HE SAID,

AND ADMINISTRATION WAS ENTITLED TO TIME TO PURSUE LONDON TALKS.

3. REP. DE LA GARZA CRITICIZED ADMINISTRATION AS DISORIENTED IN ITS SUGAR POLICY. MAINTAINED THAT SUGAR PROGRAMS IN PAST HAD NEVER COST TAXPAYERS ANYTHING, BUT HAD BEEN PAID FOR BY TARIFFS ON IMPORTS. GIAIMO DID NOT EFFECTIVELY CHALLENGE THIS POINT.

4. EVANS AND NOVAK COLUMN SENT SEPTTEL CITED SEVERAL TIMES IN COURSE OF DEBATE BY SUPPORTERS OF DE LA GARZA AMENDMENT.

5. CONFERENCE ON FARM BILL WILL REPORTEDLY BEGIN ON MONDAY, AUGUST 1. VANCE

UNCLASSIFIED

NNN

## Message Attributes

**Automatic Decaptioning:** X  
**Capture Date:** 01-Jan-1994 12:00:00 am  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** SUGAR, AMENDMENTS, LEGISLATIVE BILLS, PRICE INDEXES  
**Control Number:** n/a  
**Copy:** SINGLE  
**Sent Date:** 29-Jul-1977 12:00:00 am  
**Decaption Date:** 01-Jan-1960 12:00:00 am  
**Decaption Note:**  
**Disposition Action:** n/a  
**Disposition Approved on Date:**  
**Disposition Case Number:** n/a  
**Disposition Comment:**  
**Disposition Date:** 01-Jan-1960 12:00:00 am  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1977STATE177817  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** DBURNS  
**Enclosure:** n/a  
**Executive Order:** N/A  
**Errors:** N/A  
**Expiration:**  
**Film Number:** D770271-0668  
**Format:** TEL  
**From:** STATE  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1977/newtext/t1977072/aaaaabmw.tel  
**Line Count:** 77  
**Litigation Code IDs:**  
**Litigation Codes:**  
**Litigation History:**  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Message ID:** a7f80d64-c288-dd11-92da-001cc4696bcc  
**Office:** ORIGIN EB  
**Original Classification:** UNCLASSIFIED  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 2  
**Previous Channel Indicators:** n/a  
**Previous Classification:** n/a  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Retention:** 0  
**Review Action:** RELEASED, APPROVED  
**Review Content Flags:**  
**Review Date:** 16-Feb-2005 12:00:00 am  
**Review Event:**  
**Review Exemptions:** n/a  
**Review Media Identifier:**  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**SAS ID:** 1751266  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** CONGRESSIONAL ACTION ON DE LA GARZA AMENDMENT  
**TAGS:** EAGR, US  
**To:** LONDON  
**Type:** TE  
**vdkgvwkey:** odb://SAS/SAS.dbo.SAS\_Docs/a7f80d64-c288-dd11-92da-001cc4696bcc  
**Review Markings:**  
Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
22 May 2009  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 22 May 2009